



1223 & 1235 E. PENDER STREET

POTENTIAL DEVELOPMENT PROPERTY

INVESTMENT OPPORTUNITY

CADO Bancorp. Ltd. ("CADO") the parent of the Administrator and a promoter of the Nationwide Self Storage Trust (the "Trust") offering (the "Offering"), has entered into Offers to Purchase with the owners of two adjoining properties located at 1223 and 1235 East Pender Street, Vancouver, British Columbia (together, the "Potential Development Property"). The purchase price for the Potential Development Property is \$6,100,000 for the property at 1223 East Pender Street and \$3,275,000 for the property at 1235 East Pender Street, for a total purchase price of \$9,375,000 for the Potential Development Property if both sites are acquired. These offers are subject to standard closing conditions, including receipt of a satisfactory feasibility analysis for the development of a self-storage facility at the site and a satisfactory due diligence review. Each of the offers to purchase is assignable at CADO's option, and if either or both of the purchases proceed CADO will assign the relevant contract (at no cost) to the Trust, the Partnership or another entity controlled by the Trust or the Partnership so that it may acquire the Potential Development Property and develop a self-storage facility on the site.

The closing conditions for the property at 1223 East Pender Street have been satisfied, and the Administrator expects that the purchase of this property will be completed in mid-March, 2017. If the conditions to the purchase of the adjoining parcel are satisfied, closing on that purchase is expected to occur in June, 2017.

The Potential Development Property is a high profile, highly visible and easily accessible property consisting of two adjoining parcels of land at 1223 and 1235 East Pender Street zoned for self storage. The FSR 3 Zoning of this site can provide for approximately 65,000 sq/ft of net rentable self-storage with easy access off of East Hastings Street, Clark Drive or Pender Street. Daily traffic count is estimated at 30,000 vehicle per day on East Hastings Street. At approximately \$160 sq/ft buildable, the purchase price of the Potential Development Property is in line with or lower than comparables. Further, the City of Vancouver downtown eastside plan calls for densification of the East Hastings corridor including mixed use developments such multi-family, grocery, work live and light industrial.

LOCATION HIGHLIGHTS

The Potential Development Property is located a mere 2 kilometres from central downtown Vancouver. If built, this will be one of the closest self storage facilities to the rapid densification occurring throughout the downtown core. Many of Vancouver's notable multifamily developers have acquired properties and are planning developments in the immediate vicinity. This location offers excellent access to residents and businesses located in downtown Vancouver, Gastown, Railtown, the Broadway Corridor and the Trans Canada Highway.

PROPERTY DETAILS

Approximate property details assuming the Potential Development Property comprises of both 1223 and 1235 East Pender Street.

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| PROPERTY SIZE | 19,500 sq. ft. |
| ZONING | Light industrial |
| ENVIRONMENTAL | <ul style="list-style-type: none"> 1223 East Pender - Pinchon West Clear Environmental Assessment Certificate as at October 2016 1235 East Pender - Next Environmental Inc. Clear Environmental Assessment Certificate as at November 15, 2016 |
| LAND COST | \$9,375,000 (approximately \$160 per buildable sq. ft.) |
| FSR ZONING | 3.0 FSR |
| MAXIMUM BUILDING HEIGHT | 60 ft. |
| MAXIMUM SQ. FT | 58,500 sq. ft. |
| BUILDING EFFICIENCY RATIO | 65% providing approximately 65,000 sq. ft. net rentable (inclusive of sky lockers) |
| BUILDING COST (ALL-IN) | \$130 sq. ft. (\$7,605,000) |
| LAND AND BUILDING COST | \$16,980,000 |
| NET RENTABLE SQ/FT | 65,000 sq. ft. inclusive of sky lockers, exclusive of parking, hallways, elevator(s) |
| TARGETED RENT PER SQ. FT. | \$3.75/mo. (initial) |
| NO. OF STORAGE LOCKERS | 900+ storage lockers |
| AVERAGE LOCKER SIZE | 70 - 80 sq. ft. |
| TAXES | \$34,900 for 2016 |
| TRAFFIC COUNT | Approximately 30,000 vehicles per day |
| PROFILE | Highly visible; excellent access off Hastings Street and Clark Drive |

ZONING

The Potential Development Property is zoned I-2 (light industrial), permitting most light industrial and office related uses including: manufacturing, service, transportation and storage warehouses, utility and communication and wholesale. Redevelopment allows for a 3.0 floor space ratio (FSR) (approximately 58,500 buildable square feet and up to 60' in height if both 1223 and 1235 East Pender Street are acquired).



HASTINGS STREET CORRIDOR OVERVIEW

Hastings Street is one of the most important east-west traffic corridors in Vancouver. This street has always had different character areas along its stretch, and today it still embodies different roles as it passes through different neighborhoods. It is an objective of the City of Vancouver to make Hastings Street a “great street” again, with focused efforts on building vibrant hubs along different sections to meet the needs of the communities through which it passes. See the City of Vancouver Downtown Eastside Plan, Section 6.6 – Hastings Street (<http://vancouver.ca/files/cov/downtown-eastside-plan.pdf>). In an effort to help facilitate this, many notable developers have strategically purchased property along the corridor in anticipation of this potential growth.

Hastings Street Corridor, Figure 1



Hastings Street Corridor, Figure 2

Conceptual rendering showing potential development of Hastings Street between Hawks Avenue and Clark Drive.



Renderings obtained from the City of Vancouver Downtown Eastside Plan. Source: www.vancouver.ca



1223 & 1235 E. PENDER STREET, VANCOUVER, BC

FURTHER INFORMATION

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There can be no assurance CADO will assign the right to acquire 1223 and 1235 East Pender Street to NationWide Self Storage Trust or will make a decision to proceed with the acquisition on the terms set out in the nonbinding offer, or at all.

This is not a formal offering document. Prospective purchasers of this investment opportunity will be provided with a formal offering memorandum dated June 1, 2016 and amended and restated January 24, 2017 and March 8, 2017 (the "Offering Memorandum").